

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION  
LEGISLATION COMMITTEE**

**2005-2006 BUDGET SENATE ESTIMATES HEARING  
30 ,31 MAY and 3 JUNE 2005**

**EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

**QUESTIONS ON NOTICE**

**Outcome 3: Increased workforce participation**

**Output Group 3.1: Working age policy**

**Output Group:3.1.1 Working age policy legislation**

**Question Number: W094-06**

**Question:**

Senator Allison asked in writing:

How will sole parents be expected to provide financially for their children when their payment is suspended in the first instance for allegedly failing to comply with a requirement. Given that most income support recipients live fortnight to fortnight – what are the strategies to address those caught in the immediate financial bind of no money when they were expecting it.

**Answer:**

Unemployment payments are paid fortnightly in arrears. For this reason, where re-engagement occurs quickly, it is very unlikely that there would be any interruption to a job seeker's payments. Because payments are made in arrears, when Centrelink suspends a job seeker's payment, this has no immediate impact but simply raises a flag on the system indicating that the next payment will be affected if appropriate action is not taken.

On raising the suspension flag, Centrelink will immediately attempt to contact the job seeker and will inform them by letter. If these contact attempts are unsuccessful, the job seeker's lodgement day, which is when the job seeker must generally attend their Centrelink office to lodge their form in order to be paid the following day, will provide a further contact opportunity. This means that the job seekers will generally be questioned about their outstanding participation report before their next pay day. If they are not at fault, the suspension flag will be removed immediately and they will not suffer any interruption to their payments. Those who are found to have had no good reason for their non-compliance may have their payment delayed for up to 48 hours pending attendance at the Job Network.

Parents will also retain eligibility for their family payments during a period of suspension. This means that their Family Tax Benefits or Rent Assistance will not be suspended.